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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:)	Chapter 11
)	
Celsius Network LLC, et al., ¹)	Case No. 22-10964 (MG)
)	
Debtors.)	Jointly Administered
)	

**OBJECTION
TO THE DEBTORS'
MOTION FOR ENTRY OF
AN ORDER (I) APPROVING THE
DEBTORS' KEY EMPLOYEE INCENTIVE
PROGRAM AND (II) GRANTING RELATED RELIEF**

Now comes Cameron Crews, pro se creditor, objecting to the unwarranted Key Employee

Incentive Program (KEIP) that seeks to further reward Celsius's management team with
unjustified bonuses after having been previously showered with compensation based upon
fraudulent performance. The Court should DENY this offensive proposal.

1. The proposed KEIP bonuses are unreasonable when compared to historical bonuses Celsius offered to employees. The Statement of Financial Affairs ("SOFA", ECF #973) lists bonuses of a

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Celsius Network LLC (2148); Celsius KeyFi LLC (4414); Celsius Lending LLC (8417); Celsius Mining LLC (1387); Celsius Network Inc. (1219); Celsius Network Limited (8554); Celsius Networks Lending LLC (3390); and Celsius US Holding LLC (7956). The location of Debtor Celsius Network LLC's principal place of business and the Debtors' service address in these chapter 11 cases is 121 River Street, PH05, Hoboken, New Jersey 07030.

small fraction of those proposed by KEIP, from an era when the company still falsely presented that it was “profitable.”

- KEIP proposes a bonus 18-times greater for Chris Ferraro, 4.7-times greater for Oren Blonstein, 3.75-times greater for Ron Deutsch, 3.7-times greater for Trunshedda Ramos, and 10.4-times greater for Quinn Lawlor.

Individual KEIP Values				
Participant	SOFA Bonuses	Join Date	Threshold Award	Target Award
Christopher Ferraro	\$50,000	Mar-22	\$468,750	\$937,500
Guillermo Bodnar		Apr-22	\$187,500	\$375,000
Oren Blonstein	\$55,000	Feb-21	\$131,250	\$262,500
Ron Deutsch	\$64,000	Mar-21	\$120,000	\$240,000
Trunshedda Ramos	\$65,000	Aug-20	\$120,000	\$240,000
Roni Pavon Cohen	\$974,016	Sep-20	\$119,625	\$239,250
Adrian Alisie		Aug-21	\$75,000	\$150,000
Jenny Fan		Nov-21	\$75,000	\$150,000
Dave Albert		Jun-22	\$70,000	\$140,000
Quinn Lawlor	\$12,000	Dec-20	\$62,500	\$125,000
Total Award Values	\$1,220,016		\$1.43 million	\$2.86 million

- Chief Revenue Officer Roni Pavon-Cohen already received nearly \$1M in bonus compensation, largely denoted as “crypto bonus value” in the SOFA. If anything, the Chief Revenue Officer for a Ponzi Scheme² is deserving of imprisonment, not additional bonuses.
- None of the companies looked at for basis of comparison³ by Allison Hoeinghaus of Alvarez & Marsal include financial firms. Firms such as Celsius must be judged explicitly by their financial performance, which represents their reason for existence. Thusly, the metric “Percentage of

² Until the Debtors explain how they were able to pay \$1.36B more in rewards than revenue without sourcing them from customer deposits, such “yield” should be presumptively viewed as a Ponzi scheme mechanic.

³ Comps looked at were: Avaya Inc.; Bristow Group Inc.; Claire’s Stores, Inc.; Frontier Communications; Hertz; iHeartMedia, Inc.; Intelsat S.A.; LSC Communications, Inc.; Mallinckrodt plc; NPC International, Inc.; Purdue Pharma, L.P.; Sears Holdings Corporation; Stage Stores, Inc.; Toys “R” Us, Inc.; and Windstream Holdings, Inc.

Assets" is inappropriate to factor in when considering that Celsius destroyed over \$3B in stakeholder value.

5. Furthermore, the Debtors through their Counsel Kirkland and Ellis have failed to provide their complete analysis. Ross Kwaneteniet, Chris Koenig, and Dan Latona were contacted about this on March 29, 2023 and have not responded. The customers of Celsius deserve to review these analyses in completeness, which is only fair considering that we are effectively paying for them.
6. The basis of comparisons for incentive programs should focus on financial companies accused of serious misconduct. Thusly, a more appropriate comparison would be MF Global, a failed brokerage which lost \$1.6B of client assets. In the MF Global bankruptcy, which came before this very court over a decade ago, you approved Trustee administration. When the Trustee, Louis Freeh, initially proposed a bonus program for management, he was hauled before Congress and met with scathing criticism, after which the bonus proposal was rightly scrapped⁴.
7. Celsius has already improperly rewarded employees, particularly management, with over \$85M in CEL-based bonus compensation by fraudulently manipulating the value of its token higher. Based upon information and belief, the \$1.5, \$3, and \$5 price targets⁵ for CEL were all met once Celsius traders such as Connor Nolan and Johannes Treutler began turning on the spigot of using \$558M in customer deposits to improperly used to purchase CEL token⁶. Much of these

⁴ <https://www.forbes.com/sites/halahtouryalai/2012/04/24/rest-easy-mf-global-execs-will-not-get-those-bonuses-trustee-says/>

⁵ <https://celsiusnetwork.medium.com/celsius-employee-bonus-cel-treasuries-explained-5aeac1d52eae> CEL bonuses for hitting price targets are explained by former Celsius employee Ashley Harrell

⁶ Finding of the examiner's report, ECF #1956

deposits came directly from customers duped into purchasing CEL using the OTC desk when management was using the same OTC desk to cash out \$40M in CEL bonuses⁷.

After \$1.50 for 10 days:

CEL Value	Tokens to Distribute
\$1.50	17,500,000 to Team
Reserved	7,500,000

After \$3.00 for 30 days:

CEL Value	Tokens to Distribute
\$3.00	10,000,000 to Team
\$5.00	6,000,000 to Team
\$10.00	3,000,000 to Team
\$15.00	2,000,000 to Team
Reserved	4,000,000



8. Celsius management should be mandated to pay back their improperly awarded bonuses rather than be nominated for yet more bonuses. If they are unable to do the job they signed up for without additional compensation, they are welcome to resign in disgrace.
9. Thusly, the proposed KEIP bonuses are unreasonable and the Court is asked to DENY the Debtors' motion, holding management to fulfil the jobs they are already obligated to perform without unnecessary and undeserved bonuses.

Respectfully submitted,

Dated April 11, 2023

/s/Cameron Crews
Cameron Crews
pro se creditor

⁷ CEL-UCC-00083099_R Harry "Dean" Tappen informs Chris Ferraro of "top 5-6 employees" cashing out \$40M in CEL using the OTC desk, 4/13/2022